

**SUBJECT: LAND ACQUISITION – KETTLE MORaine STATE FOREST-SOUTHERN UNIT – WAUKESHA COUNTY**

**FOR: AUGUST 2010 BOARD MEETING**

**TO BE PRESENTED BY: Richard Steffes**

**SUMMARY:** The Department has obtained an option to purchase 47.62 acres of land from Berle Pease and Jeffrey Flanagan for \$510,000 for the Kettle Moraine State Forest-Southern Unit in Waukesha County. The item is being submitted because purchase price exceeds \$150,000.

The property is proposed for purchase for forest management and natural resource protection, as well as for public recreation. State-owned land adjoins on all four sides of the parcel. The Pease/Flanagan parcel includes over 1,800 feet of frontage along both banks of the Scuppernong River as it flows through an area of the forest, which had once been a large glacial lake. Numerous springs exist in the moraine ridge that flow to the west and create the Scuppernong River, ultimately flowing to the Rock and Mississippi Rivers.

Kettle Moraine State Forest-Southern Unit was established in 1936 to provide recreational opportunities in the southeastern portion of the state and to protect the natural and scenic values of the Kettle Moraine landscape. The property is used by the public for hunting, fishing, trapping, cross-country skiing, camping, hiking, and other outdoor recreation. In addition, the geologic and natural values of the area are used for research and education. The project, an all-season property, is located in southeastern Wisconsin in Waukesha, Jefferson, and Walworth Counties. The forest is located about 35 miles west of Milwaukee, within 100 miles of five million people. Total attendance in 2003 was 1,343,000 making it one of Wisconsin's busiest state projects.

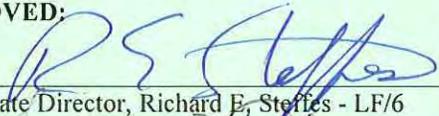
The Pease/Flanagan parcel is one of just a few privately owned parcels in the large Scuppernong Marsh, a highly valued natural plan community of regional significance. Purchase of this parcel helps consolidate restoration of state ownership and allows the site to be returned to a natural condition.

**RECOMMENDATION:** That the Board approve the purchase of 47.82 acres of land for \$510,000.00 for the Kettle Moraine State Forest-Southern Unit.

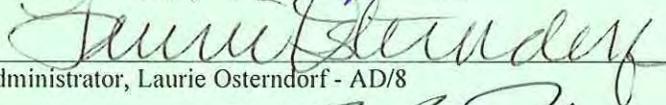
**LIST OF ATTACHED MATERIALS:**

- |  |   |   |          |
|--|---|---|----------|
| No <input checked="" type="checkbox"/> | Fiscal Estimate Required                              | Yes <input type="checkbox"/>            | Attached |
| No <input checked="" type="checkbox"/> | Environmental Assessment of Impact Statement Required | Yes <input type="checkbox"/>            | Attached |
| No <input type="checkbox"/>            | Background Memo                                       | Yes <input checked="" type="checkbox"/> | Attached |

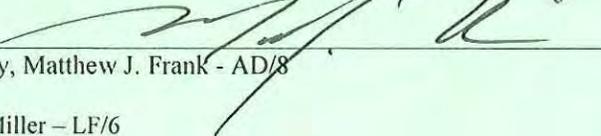
**APPROVED:**

  
Real Estate Director, Richard E. Steffes - LF/6

7-9-10  
Date

  
Administrator, Laurie Osterndorf - AD/8

7/15/10  
Date

  
Secretary, Matthew J. Frank - AD/8

7-19-10  
Date

- cc: S. Miller – LF/6
- R. Steffes – LF/6
- L. Ross – AD/8
- D. Schuller – PR/6
- G. McCutcheon – SER/Milwaukee

## CORRESPONDENCE/MEMORANDUM

DATE: July 9, 2010 FILE REF: SF 50012  
 TO: Governor Doyle  
 FROM: Matthew J. Frank   
 SUBJECT: Proposed Land Acquisition, Pease/Flanagan, Tract, File # SF 50012,  
 Option Expires October 22, 2010

1. PARCEL DESCRIPTION:

Kettle Moraine State Forest-Southern Unit  
 Waukesha County

Grantor:

Berle Pease and Jeffrey Flanagan  
 S63 W36951 County Highway ZZ  
 Dousman, WI 53118

Acres: 47.62 (Fee) and 0.28 (access easement)

Price: \$510,000

Appraised Value: \$440,000; \$675,000

Interest: Fee Title Acquisition

Improvements: House and garage

Location: The property is located in Waukesha County about 3.5 miles north of the Village of Eagle in the Town of Eagle.

Land Description: The subject land is level to rolling.

<u>Covertypes Breakdown:</u>	<u>Type:</u>	<u>Acreage:</u>
	Building Site	3.0
	Upland Forest	11.0
	Brush/Wetland/Grassland	<u>33.62</u>
	TOTAL:	47.62

Zoning: Residential Rural Estate

Present Use: Residential

Proposed Use: Forest Management and Public Recreation

Tenure: 39 years

Property Taxes: \$4,082

Option Date: June 24, 2010

Stewardship Land Access: This property will be open to the public for all nature-based outdoor recreational activities to include hunting, fishing, trapping, hiking, and cross-country skiing.

2. JUSTIFICATION:

The Department has obtained an option to purchase 47.62 acres of land from Berle Pease and Jeffrey Flanagan for the Kettle Moraine State Forest-Southern Unit in Waukesha County. The property is proposed for purchase for forest management and natural resource protection, as well as for public recreation in the Kettle Moraine State Forest-Southern Unit (KMSF-SU). The property is located in Waukesha County in the Town of Eagle and is surrounded on all four sides by state-owned lands. Acquisition of the Pease/Flanagan parcel is important for many reasons which include protection of

valuable upland woods and glacial features from incompatible development and habitat fragmentation; expansion of an already significantly sized block of woods, which is attractive to neo-tropical birds and other species that require unbroken blocks of habitat; and to provide opportunities for hunters, bird watchers, and passive outdoor recreation enthusiasts. Its wetland portion is part of the regionally significant Scuppernong Marsh.

Kettle Moraine State Forest-Southern Unit was established in 1936 to provide recreational opportunities in the southeastern portion of the state and to protect the natural and scenic values of the Kettle Moraine landscape. The property is used by the public for hunting, fishing, trapping, cross-country skiing, camping, hiking, and other outdoor recreation. In addition, the geologic and natural values of the area are used for research and education. The project, an all-season property, is located in southeastern Wisconsin in Waukesha, Jefferson, and Walworth Counties. The forest is located about 35 miles west of Milwaukee, within 100 miles of five million people. Total attendance in 2003 was 1,343,000 making it one of Wisconsin's busiest state projects.

The entire 47.62-acre parcel is part of the interlobate moraine that is the basis for the creation of the Kettle Moraine State Forest. The interlobate moraine consists of a roughly 75-mile long north/south ridgeline that is formed from glacial deposits creating a variety of glacial features. To the west of this moraine in the Town of Eagle, is the Scuppernong River Habitat Preservation Area of the forest. The Pease/Flanagan parcel includes over 1,800 feet of frontage along both banks of the Scuppernong River area as it flows through an area of the forest, which had once been a large glacial lake. Numerous springs exist in the moraine ridge that flow to the west and creates the Scuppernong River, ultimately flowing to the Rock and Mississippi Rivers.

The property has a house with attached garage as well as a large storage shed. The Department has negotiated a leaseback arrangement with the grantors, allowing them to occupy the house and shed for up to five years. Once the grantors vacate the property, the home will be razed and the shed will be used for storage of forestry's vehicles and equipment.

The Department recommends the purchase of the 47.62-acre Pease/Flanagan parcel that will provide for public recreation, prevent incompatible use, consolidate state ownership, and achieve the goals of the Kettle Moraine State Forest-Southern Unit.

3. FINANCING:

State Stewardship (FY 11) bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
\$50,000,000	\$22,813,113

4. ACQUISITION STATUS OF THE KETTLE MORAIN STATE FOREST-SOUTHERN UNIT:

Established: 1936  
Acres Purchased to Date: 21,411.75  
Acquisition Goal: 29,185.0 Acres  
Percent Complete: 73.37%  
Cost to Date: \$16,198,072.47

5a. APPRAISALS:

Appraiser: Linn Duesterbeck  
Valuation Date: February 23, 2009  
Appraised Value: \$675,000  
Highest and Best Use: Complete remodel of existing single-family residence and recreation.

Allocation of Values:

- a. land: 47.62 acres @ \$13,020 per acre: \$620,000
- b. improvements: \$ 55,000
- c. total: \$675,000
- d. cost and market data approach used, five comparable sales cited
- e. adjusted value range: \$11,201 to \$16,359 per acre

Appraisal Review: Phil Lepinski - May 19, 2009

- 5b. Appraiser: Philip Vander Male
- Valuation Date: March 27, 2009
- Appraised Value: \$440,000
- Highest and Best Use: Secluded estate parcel

Allocation of Values:

- a. land: 44.02 acres @ \$9,239.82 per acre: \$440,000
- b. market data approach used, five comparable sales cited
- c. adjusted value range: \$9,606 to \$10,500 per acre

Appraisal Review: Phil Lepinski - May 18, 2009

Comment: Vander Male's acreage was lower due to his handling of owner's land in the highway right-of-way. Duesterbeck's acreage is the more reliable. Vander Male assigned no value to the residence as he felt it was an under improvement to an estate quality building site. The Department's best-negotiated value was between the two appraised values at \$510,000.

RECOMMENDED:

  
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 Richard E. Steffes

7-9-10  
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 Date

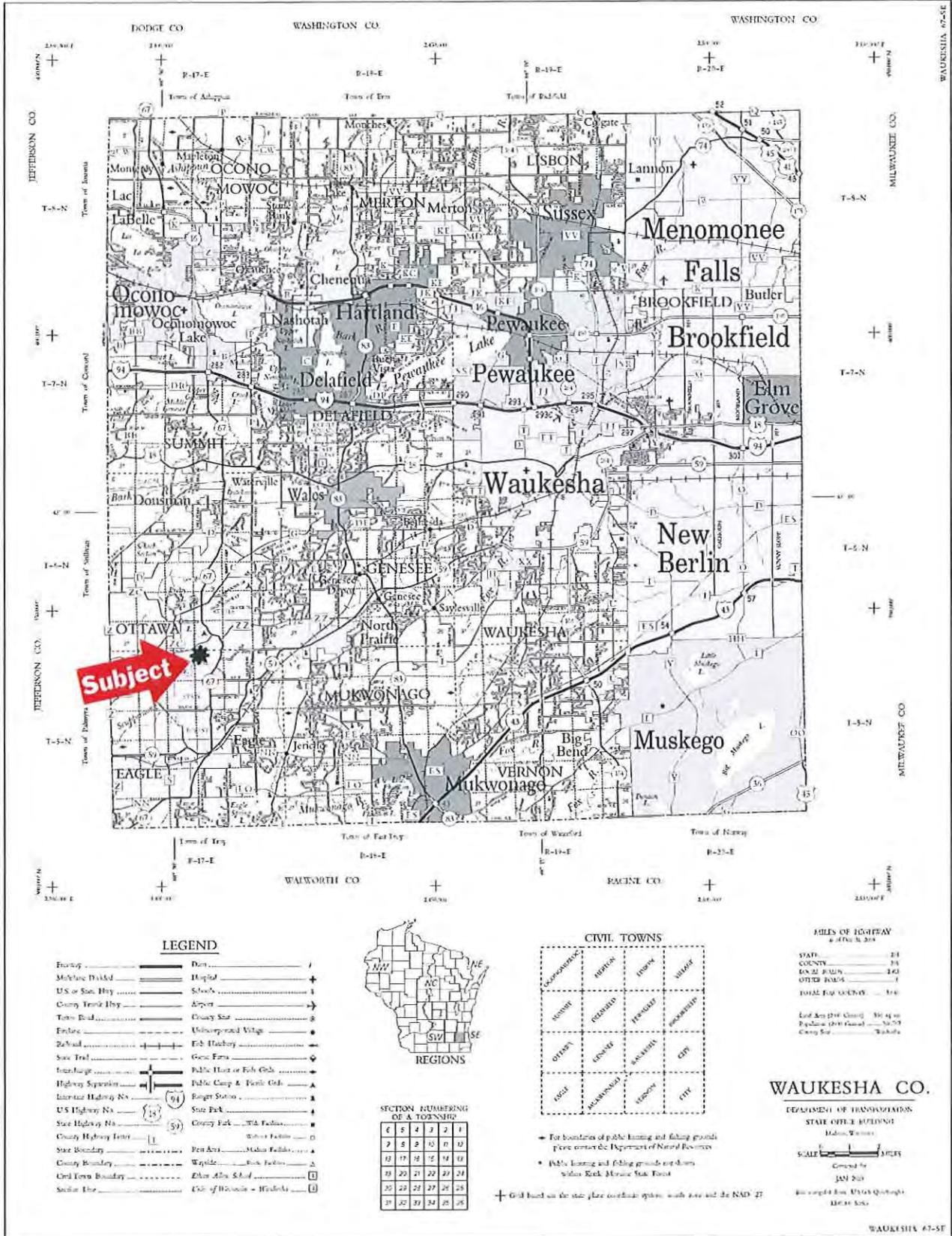
  
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 Bureau of Legal Services

7-14-10  
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 Laurie Osterndorf

7/15/10  
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RES:ch



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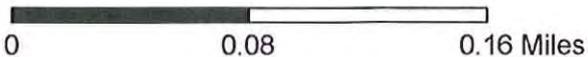
# Berle Pease and Jeffrey Flanagan Parcel

T5N R17E Section 3, Town of Eagle, Waukesha County, WI (47.62 Acres)



### Legend

- - - PLSS Section Line
- PLSS Quarter-Quarter
-  DNR Project Boundary
-  County Boundary
-  DNR Eased
-  DNR Owned



### Subject Property

**SF 50012**

Kettle Moraine State Forest  
Southern Unit

-  Fee Simple
-  Easement
-  Ingress/Egress



State of Wisconsin

July 2, 2010  
Real Estate Section  
Bureau of Facilities and Lands

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# Berle Pease and Jeffrey Flanagan Parcel

SF 50012

Kettle Moraine State Forest -Southern Unit

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T5N R17E Section 3  
Town of Eagle  
Waukesha County, WI  
(47.62 Acres)

## Subject Property

-  Fee Simple (Gift)
-  Easement
-  Ingress/Egress

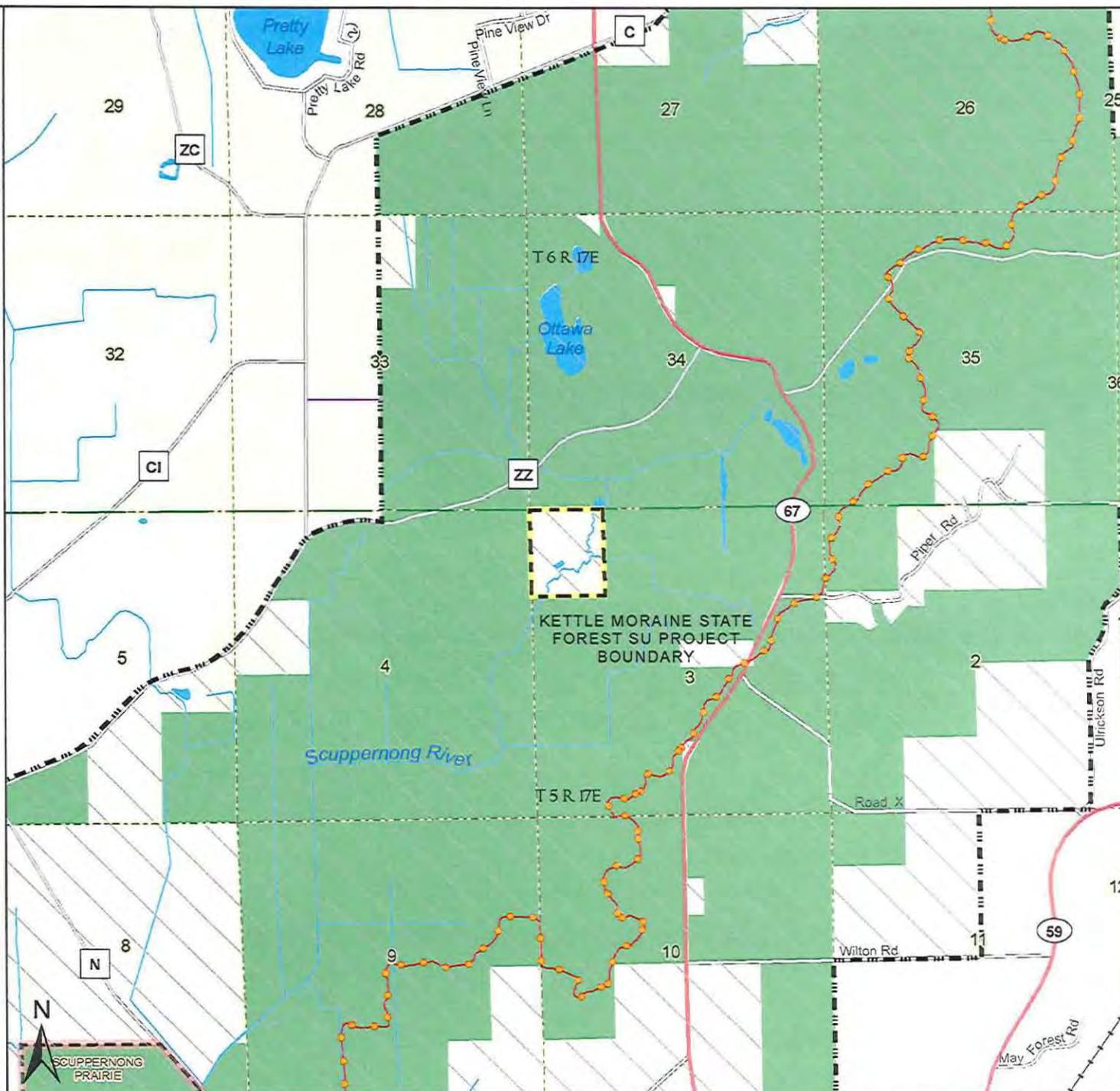
## Legend

-  DNR Project Boundary
-  State Natural Area
-  PLSS Section Line
-  County Boundary
-  DNR Owned
-  DNR Easement

0 0.3 0.6 Miles



★ Subject Property County View



The DNR Managed Lands represent the boundaries of lands managed by the Wisconsin Department of Natural Resources. The Wisconsin DNR manages these lands through ownership, easement or lease rights. This dataset is a spatial representation of the Oracle Land Records System maintained by the DNR, Bureau of Facilities and Lands (LF), and may include errors and/or omissions. The data should not be interpreted as a legal representation of legal ownership boundaries. This data set does not differentiate between lands that are open or closed to the public for hunting and/or general public access. Some lands represented in this data set may not be open to the general public, or may have specific limitations or restrictions on public use. This dataset is not intended for use as a land management tool; it is a listing of all DNR real estate transactions that have occurred on these lands over time. For information about the actual management, including public use and public access of the lands, contact the nearest DNR Regional office. Contact information for DNR Regional Offices and Service Centers is provided on the following internet site: <http://www.dnr.state.wi.us/org/caer/cis/servicecenterlocations.htm> Updates to this data set are ongoing, and will be incorporated into future versions when available.